

Message Text

CONFIDENTIAL

PAGE 01 NICOSI 00721 201702Z

42

ACTION EB-07

INFO OCT-01 EUR-12 NEA-09 ISO-00 SP-02 AID-05 NSC-05

CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01 COME-00

XMB-02 IGA-01 CIAE-00 DODE-00 INR-07 NSAE-00 PA-01

USIA-06 PRS-01 MC-02 L-02 /082 W
----- 114744

P R 201630Z FEB 75

FM AMEMBASSY NICOSIA

TO SECSTATE WASHDC PRIORITY 1214

INFO AMEMBASSY BEIRUT

AMEMBASSY LONDON

C O N F I D E N T I A L NICOSIA 0721

BEIRUT FOR DWOR

E. O. 11652: GDS

TAGS: ETRD EAIR CY

SUBJECT: CIVAIR: SALE OF MCDONNELL-DOUGLAS AIRCRAFT TO CYPRUS
AIRWAYS -- EXIMBANK FINANCING

REF: NICOSIA 0601

1. WE HAVE JUST BEEN INFORMED BY LOCAL MCDONNELL-DOUGLAS (MD-D) MAN THAT THEIR CONTACT WITH EXIMBANK HAS ELICITED AN ESSENTIALLY NEGATIVE RESPONSE ON QUESTION OF BANK FINANCING FOR PROPOSED SALE OF DC-9 AIRCRAFTS. WE ARE TOLD RESPONSE OF BANK MAN, MR JAY ALBRIGHT, WAS THAT SECURITY SITUATION IN CYPRUS TOO UNCERTAIN AT THIS TIME TO JUSTIFY EXIMBANK PARTICIPATION.

2. EMBASSY REQUESTS DEPARTMENT APPROACH BANK AND PAINT SUITABLE PICTURE TO DISABUSE NOTION COMMERCIAL AIRCRAFT CANNOT OPERATE IN SAFETY IN AND OUT OF CYPRUS. EXPLAIN THAT COMMERCIAL AIR TRAFFIC IS AVERAGING PRESENTLY AROUND EIGHT MOVEMENTS PER DAY IN AND OUT OF LARNACA. REMIND
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NICOSI 00721 201702Z

THAT LARNACA IS ON SOUTH COAST OF ISLAND, WELL OUT OF FIRING RANGE

ON TURK/GREEK CYPRIOT LINE. STRESS THAT OTHER COUNTRIES OFFERING AIRCRAFT REPLACEMENT DEALS (BRITISH, FRENCH, SOVIETS, DUTCH) DO NOT VIEW SECURITY IN NEGATIVE LIGHT AND WILL BE ALL TOO CONTENT TO MOVE IN ON MARKET OPPORTUNITY IF MD-D DEAL FALLS THROUGH. DO NOT OVERLOOK FACT IN PRESENTATION WITH EXIMBANK THAT BRITISH MIDLANDS COMPANY AS WELL AS OLYMPIC AIRWAYS JUMPED INTO SITUATION DAY LARNACA AIRPORT WAS OPENED.

3. DEPARTMENT MAY WISH TO USE APPROACH THAT RECENT CYPRUS AIRWAYS CHOICE OF BRITISH MIDLANDS AS INTERIM SOLUTION MAY HAVE LEFT SOVIETS WITH RENEWED DETERMINATION TO SUCCEED IN SALE OF SOVIET AIRCRAFT FOR FINAL REEQUIPMENT PROGRAM. THIS WOULD BE MOST DETRIMENTAL TO US INTERESTS.

4. MD-D INFORMS US IT OFFERING CYPRUS AIRWAYS OPPORTUNITY SIGN LETTER OF INTENT UNDER PRESENT TERMS (SEE REFTTEL) FOR ONLY SHORT WHILE. MD-D CANNOT HOLD INDEFINITELY INTERIM DC-9 PRESENTLY AT LONGBEACH, CALIFORNIA. WOULD APPRECIATE SPEEDY DEPARTMENT ACTION IN ORDER TO SAFEGUARD THIS SALE PROSPECT. CRAWFORD

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, AIRCRAFT SALES, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 FEB 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975NICOSI00721
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750061-0026
From: NICOSIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750227/aaaaaylo.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 NICOSIA 0601
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 07 MAY 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 MAY 2003 by MartinML>; APPROVED <08 MAY 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: SALE OF MCDONNELL-DOUGLAS AIRCRAFT TO CYPRUS AIRWAYS -- EXIMBANK FINANCING
TAGS: ETRD, EAIR, CY, MCDONNELL-DOUGLAS AIRCRAFT CO, CYPRUS AIRWAYS, XMB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006